

AGENDA

SPECIAL JOINT COMMITTEE ON EDUCATION

May 10, 2017

**Alderman Shaw, School Committee
Member Freeman, Ald. Herbert,
Committee Member Ambrogi,
Ald. Barry, Committee Member
Connors**

4:30 p.m.

**Aldermanic Chambers
City Hall (3rd Floor)**

1. The Clerk calls the meeting to order.
2. The Clerk calls the roll.
3. Discussion regarding interest earned on School District Accounts.
Ladies and Gentlemen, what is your pleasure?
4. Budget discussion and input.
5. If there is no further business, a motion is in order to adjourn.

TO: Board of School Committee

FROM: Subcommittee on Finance
Committee Members Girard, Beaudry, Desrochers, Bergeron, Tessier

DATE: March 27, 2017

RE: Earned Interest

At the March 20, 2017 Subcommittee on Finance meeting, it was voted to refer the matter of interest earned on MSD accounts to the Special Joint Committee on Education.

The Committee is respectfully requesting that the Special Joint Committee on Education review the item and make recommendations to the Board of School Committee and the Board of Mayor and Aldermen for the FY18 budget cycle.

The motion passed with Committee Members Girard, Beaudry, Bergeron and Tessier voting yea. Committee Member Desrochers was absent.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Maura Leahy".

Maura Leahy

At the March 27, 2017 Special Board of School Committee meeting, on motion of Committee Member Girard, duly seconded by Committee Member Terrio, it was voted to accept the report of committee and adopt its recommendations.

Manchester School District							
Treasurer's cash projection							
For the fiscal year ending June 30, 2017							
	July	August	September	October	November	December	January
Beginning balance	\$3,301,784.26	\$11,760,546.78	\$4,374,358.14	\$13,072,694.10	\$23,435,031.88	\$3,428,133.46	\$1,267,930.14
Cash receipts							
Adequacy grant			11,500,956.00		11,390,793.00		17,180,967.47
Taxes	24,000,000.00		17,000,000.00	12,000,000.00			
Tuition				3,109,028.10		624,643.11	
Term investments	1,000,000.00	2,000,000.00	3,000,000.00	13,000,000.00		15,000,000.00	8,000,000.00
Catastrophic aid						627,125.08	
Building aid				1,394,412.11			
Vocational							
impact fees							
Grant reimbursements	2,331,917.72	1,602,217.55	427,754.57		615,979.98	1,743,384.66	1,974,787.05
Other (SFNS, Medicaid etc.)	927,613.50	1,272,014.43	706,129.57	2,490,973.15	1,505,283.80	1,026,442.06	1,352,804.44
Total cash receipts	28,259,531.22	4,874,231.98	32,634,840.14	31,994,413.36	13,512,056.78	19,021,594.91	28,508,558.96
Disbursements							
Payroll	8,278,256.80	7,070,440.43	9,254,344.55	7,493,225.78	7,599,081.60	8,172,150.14	7,180,262.43
City services/transfer to City		722,800.68	1,323,498.17	791,393.67	1,869,234.70		1,735,424.65
Transfer to City for trust funds							
Bond payment	637,751.70				3,699,159.92	969,085.92	
Term investments	5,000,000.00		8,000,000.00	7,000,000.00	14,000,000.00	6,000,000.00	9,000,000.00
Disbursements	5,884,760.20	4,467,179.51	5,358,661.46	6,347,456.13	6,351,478.98	6,040,562.17	6,811,933.80
Total disbursements	19,800,768.70	12,260,420.62	23,936,504.18	21,632,075.58	33,518,955.20	21,181,798.23	24,727,620.88
Cash balance per Treasures cashbook	\$11,760,546.78	\$4,374,358.14	\$13,072,694.10	\$23,435,031.88	\$3,428,133.46	\$1,267,930.14	\$5,048,868.22
Balance per bank statement	12,359,412.45	4,813,154.78	13,682,391.52	23,959,975.62	\$3,784,781.21	1,702,188.93	6,536,350.60
Invested amounts							
15 or more days	5,000,000.00	5,000,000.00	7,000,000.00	0.00	14,000,000.00	8,000,000.00	11,000,000.00
Total cash balance	29,119,959.23	14,187,512.92	33,755,085.62	47,395,007.50	21,212,914.67	10,970,119.07	22,585,218.82

Manchester School District					
Treasurer's cash projection					
For the fiscal year ending June 30, 2017					
	February	March	April	May	June
Beginning balance	\$5,048,868.22	\$3,356,172.19	\$2,625,195.40	\$1,229,207.47	\$529,471.90
Cash receipts					
Adequacy grant			17,027,308.00		
Taxes	14,000,000.00	16,000,000.00		11,240,965.00	
Tuition					2,457,570.50
Term investments	5,000,000.00	9,000,000.00	3,500,000.00		18,500,000.00
Catastrophic aid					
Building aid			1,346,548.89		
Vocational					
impact fees		125,000.00			
Grant reimbursements	523,316.77				
Other (SFNS, Medicaid etc.)	1,395,342.85	619,713.08	765,457.83	744,713.08	562,853.83
Total cash receipts	20,918,659.62	25,744,713.08	22,639,314.72	11,985,678.08	21,520,424.33
Disbursements					
Payroll	7,232,559.71	9,075,569.16	6,228,016.16	6,228,016.16	6,494,471.24
City services/transfer to City		1,384,227.89	791,393.67	791,393.67	791,393.67
Transfer to City for trust funds					
Bond payment					7,960,133.97
Term investments	9,000,000.00	10,000,000.00	11,000,000.00		
Disbursements	6,378,795.94	6,015,892.82	6,015,892.82	5,666,003.82	6,015,892.82
Total disbursements	22,611,355.65	26,475,689.87	24,035,302.65	12,685,413.65	21,261,891.70
Cash balance per Treasures cashbook	\$3,356,172.19	\$2,625,195.40	\$1,229,207.47	\$529,471.90	\$788,004.53
Balance per bank statement	4,629,795.70				
Invested amounts					
15 or more days	12,000,000.00	11,000,000.00	18,000,000.00	18,500,000.00	
Total cash balance	19,985,967.89	13,625,195.40	19,229,207.47	19,029,471.90	788,004.53

**Manchester School District
Actual interest earned and estimated
Fiscal year 2017**

	Total interest estimated and actual
July 2016	617.91
August 2016	1,554.08
September 2016	4,050.48
October 2016	3,687.38
November 2016	6,523.44
December 2016	3,996.58
January 2017	6,356.89
February 2017	6,314.78
March 2017	9,000.00
April 2017	10,000.00
May 2017	9,800.00
June 2017	<u>0.00</u>
	<u><u>61,901.54</u></u>

Manchester School District
Schedule of requests for tax collections from City for fiscal year 2017

July 5, 2016	12,000,000.00	Received
July 30, 2016	12,000,000.00	Received
September 2, 2016	7,000,000.00	Received
October 1, 2016	10,000,000.00	Received
October 31, 2016	12,000,000.00	Received
February 1, 2017	14,000,000.00	Received
March 1, 2017	16,000,000.00	Received
May 1, 2017	<u>12,804,904.00</u>	
Total to be raised from property taxes	<u><u>95,804,904.00</u></u>	

**Manchester School District
Estimated Interest Earnings
Fiscal year 2018**

July 2017	22,800.00
August 2017	18,100.00
September 2017	17,000.00
October 2017	11,000.00
November 2017	8,000.00
December 2017	300.00
January 2018	28,900.00
February 2018	23,600.00
March 2018	16,000.00
April 2018	15,500.00
May 2018	13,000.00
June 2018	600.00
	<hr/>
	174,800.00
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Note:

On February 22, 2017 the Subcommittee on Finance requested a calculation of the amount of interest earned if tax distributions were based upon a semi-annual distribution.

The semi-annual distributions to the District would be July 1st and January 1st.

The projection is based upon FY 2017 total tax distribution of \$95,800,000.

The interest rate used for the calculation is .0073%.

The interest calculation is based upon the actual cash flow through January 2017 and the remainder of the calculation is based upon the projected cashflow through June 30, 2017.



MANCHESTER SCHOOL DISTRICT
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Bolgen Vargas, Ed.D.
Superintendent of Schools

David M. Ryan
Assistant Superintendent
Curriculum & Instruction

Christine D. Martin, Ed.D.
Assistant Superintendent
Elementary Education

Karen DeFrancis
Business Administrator

Pamela D. Hogan
Director of Human Resources

May 3, 2017
Special Joint Committee on Education
1 City Hall Plaza
Manchester NH 03101

Dear Committee Members:

The Board of School Committee - Subcommittee on Finance requested I prepare a schedule of estimated interest income in the event the current distribution method was changed. On Tuesday April 25, 2017, I met with the School District business administrator, the Finance Officer and the deputy Finance Officer to discuss various options of distributing the School Districts City portion of the appropriation.

Please find attached a schedule of estimated projected interest based upon three (3) different distribution options:

- | | |
|-----------|--|
| Option #1 | The appropriation would be distributed in four (4) equal amounts on the first business day of the months of July, September, January and March. Based upon conversations with Finance department staff, this would be Favorable to City and would benefit the School District as well. |
| Option #2 | The appropriation would be distributed in six (6) equal amounts on the first business day of the months of July, August, October, December and May. Based upon conversations with Finance department staff, this would be Favorable to City and would also benefit the School District but not as much as option #1. |
| Option #3 | The appropriation would be distributed in two (2) equal amounts on the first business day of the months of July and January. Based upon conversations with Finance department staff, this would be a disadvantage to City and the staff could not support this option. |

It is my recommendation and the recommendation of Finance Department staff that the School District receive the City's portion of the appropriated in four (4) equal installments as stated on Option #1.

Sincerely,

Freda Hawkinson
Manchester School District, Treasurer

It is the policy of the Manchester Board of School Committee, in its actions, and those of its employees, that there shall be no discrimination on the basis of age, sex, race, color, marital status, physical or mental disability, religious creed, national origin or sexual orientation for employment in, or operation and administration of any program or activity in the Manchester School District. The Title IX Coordinator is Pamela Hogan; the 504 Coordinator is Dr. Jennifer Dolloff. Please see above for contact information.

**Manchester School District
Projected interest earnings
Fiscal year 2017 versus 2018**

	FY 2017 Total interest estimated and actual	Option #1 FY 2018 Total interest estimated 4 - distributions	Net estimated incr/(decr) with 4- distributions	Option #2 FY 2018 Total interest estimated 6 - distributions	Net estimated incr/(decr) with 6- distributions	Option #3 FY 2018 Total interest estimated 2 - distributions	Net estimated incr/(decr) with 2- distributions
July 2016	617.91	10,000.00	9,382.09	4,700.00	4,082.09	22,800.00	22,182.09
August 2016	1,554.08	3,700.00	2,145.92	8,600.00	7,045.92	18,100.00	16,545.92
September 2016	4,050.48	17,000.00	12,949.52	8,000.00	3,949.52	17,000.00	12,949.52
October 2016	3,687.38	11,000.00	7,312.62	1,140.00	(2,547.38)	11,000.00	7,312.62
November 2016	6,523.44	9,000.00	2,476.56	9,200.00	2,676.56	8,000.00	1,476.56
December 2016	3,996.58	1,600.00	(2,396.58)	1,100.00	(2,896.58)	300.00	(3,696.58)
January 2017	6,356.89	17,000.00	10,643.11	15,000.00	8,643.11	28,900.00	22,543.11
February 2017	6,314.78	11,000.00	4,685.22	8,500.00	2,185.22	17,000.00	10,685.22
March 2017	9,371.30	19,000.00	9,628.70	8,900.00	(471.30)	10,000.00	628.70
April 2017	15,550.78	14,000.00	(1,550.78)	13,000.00	(2,550.78)	12,400.00	(3,150.78)
May 2017	12,000.00	8,000.00	(4,000.00)	8,400.00	(3,600.00)	5,200.00	(6,800.00)
June 2017	2,000.00	0.00	(2,000.00)	0.00	(2,000.00)	0.00	(2,000.00)
	<u>72,023.62</u>	<u>121,300.00</u>	<u>49,276.38</u>	<u>86,540.00</u>	<u>14,516.38</u>	<u>150,700.00</u>	<u>78,676.38</u>

Distribution dates:

July 1, 2016	12,000,000.00	23,950,000.00	15,966,666.67	47,900,000.00
July 30, 2016	12,000,000.00			
August 1			15,966,666.67	
September 2, 2016	7,000,000.00	23,950,000.00		
October 1, 2016	10,000,000.00		15,966,666.67	
October 31, 2016	12,000,000.00			
December 1			15,966,666.67	
January 2		23,950,000.00		47,900,000.00
February 1, 2017	14,000,000.00		15,966,666.67	
March 1, 2017	16,000,000.00	23,950,000.00		
April 1				
May 1, 2017	<u>12,804,904.00</u>		15,966,666.67	
Total	<u>95,804,904.00</u>			